

IN THE CHANCERY COURT FOR DAVIDSON COUNTY, TENNESSEE
FOR THE TWENTIETH JUDICIAL DISTRICT AT NASHVILLE

STATE OF TENNESSEE,)	
)	
Plaintiff,)	
)	
v.)	Case No. _____
)	
CAPE CANAVERAL CRUISE LINE)	
TOUR AND TRAVEL, INC., AND)	
PROMOTIONAL TRAVEL, INC.,)	
)	
Defendants.)	

AGREED FINAL JUDGMENT

This Agreed Final Judgment (“Agreed Final Judgment” or “Judgment”) is entered into by the State of Tennessee (“the State”), by Attorney General Paul G. Summers, on behalf of David A. McCollum, the Director of the Division of Consumer Affairs and defendants. Defendants hereby accept and waive any claims of defect in connection with service of process issued on the Defendants in this cause by the State.

WITNESSETH

Defendant Cape Canaveral Cruise Line Tour and Travel, Inc., is a Florida corporation that has been and is engaged in the sale of vacation packages in Florida and elsewhere. Defendant’s headquarters are located at 501 North Wymore Road, Winter Park, Florida 32789.

Defendant Promotional Travel, Inc., is a currently inactive Florida corporation which was engaged in the sale of vacation packages in Florida and elsewhere. Defendant’s headquarters were located at 407 Whooping Loop, Suite 1679, Altamonte Springs, Florida 32701.

Defendants have advertised their vacation packages in Tennessee through the use of mass mailings, to which consumers are asked to respond by calling a toll-free telephone number.

Purchasers of defendants’ vacation packages are encouraged or required to attend a tour or presentation designed to interest them in buying a time-share or vacation ownership interest owned by defendants or by a third party.

It is the State's position that in promoting and selling vacation packages through both its written materials and its telemarketing presentations, defendants have violated state consumer protection statutes and regulations promulgated thereunder.

Defendants dispute the allegations of the State and further deny that they have violated any statute or regulation of the State or of any other governmental authority, and enter into this Judgment without admitting any wrongdoing and for settlement purposes only. Defendants have represented to the State that certain of the promotional messages which have been the subject of the State's concern were practices engaged in several years ago but are no longer current practices.

The parties desire to resolve the controversy between them and consent to the entry of this Judgment without further notice, appearance or consent.

THEREFORE, IT IS HEREBY:

I. DEFINITIONS

1. ORDERED, ADJUDGED AND DECREED that as used in this Judgment, the following definitions shall apply.

- (a) "Clear and conspicuous" means that the required disclosures, when made in writing, by facsimile, television communications, or the Internet shall be presented in such a manner, given their size, color, contrast and proximity to any related information as to be readily noticed and understood by consumers. A disclosure is not clear and conspicuous if, among other things, it is ambiguous or it is obscured by the background against which it appears, or by its location within a lengthy disclosure of non-material information. Clear and conspicuous also means that the required disclosures, when made in an oral presentation, are presented in a manner that a consumer will hear and understand at a normal speed in the same tone and volume as the sales offer.
- (b) "Material" means likely to affect a person's choice of or decision to purchase or receive goods or services.
- (c) "Terms and Conditions Box" means a clearly and conspicuously delineated paragraph of material disclosures outlined by a rectangle and labeled "terms and conditions." The terms and conditions box shall only include material disclosures. The terms and conditions box shall not include any non-material statements regarding the offer.
- (d) "Offer" means an offer of goods and/or services to one or more consumers including but not limited to, an offer of a vacation package, regardless of whether the offer is conveyed in writing, orally, by facsimile, televised communications, the Internet, or in any other manner. The term "offer" includes any solicitation made directly to consumers by telemarketing or any written solicitation or mailing to which consumers are asked to respond by calling a telephone number for the purpose of receiving information regarding the purchase of a vacation package. Offer also includes any solicitation made by means of inviting or asking consumers to register to enter a contest, a random drawing, or any other promotion which results in the consumer being solicited directly or indirectly to purchase a vacation package.

- (e) “Represent” or “representation” includes any communication, whether made in writing, orally, or by facsimile, televised communication, the Internet, or in any other manner.
- (f) “Solicitation” means any communication to a consumer that contains an offer, whether made in writing, orally, or by facsimile, televised communications, the Internet, or in any other manner.
- (g) “Time share” or “vacation ownership” means any arrangement whereby a purchaser receives a right to use accommodations and/or facilities for specific periods of time on a recurring basis. The term includes any vacation ownership interest or similar interest.
- (h) “Vacation package” means goods and/or services which involve a stay in a location away from the consumer’s home, and includes use of accommodations whether with or without meals.
- (i) “Defendants” means Cape Canaveral Cruise Line Tour and Travel, Inc., and Promotional Travel, Inc.

II. PARTIES SUBJECT TO ORDER

2. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment applies to and binds Cape Canaveral Cruise Line Tour and Travel, Inc., and Promotional Travel, Inc., whether acting through their principals, officers, directors, agents, telemarketers, direct mail marketers, servants, employees, subsidiaries, successors or assigns, or acting through any corporation or other business entities whose acts, practices, or policies are directed, formulated, or controlled by Cape Canaveral Cruise Line Tour and Travel, Inc., or Promotional Travel, Inc.

III. NO ENDORSEMENTS

3. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that under no circumstances shall this Judgment or the name of the State of Tennessee, the Office of the Attorney General, Consumer Protection Division, the Division of Consumer Affairs, or any of their employees or representatives be used by any defendant, or their officers, agents, servants, employees, successors, assigns, attorneys or other persons and/or entities acting in concert or participation with defendants, in connection with any selling, advertising, or promotion of products or services, or as an actual or implied endorsement or approval of defendants’ acts, practices, or methods of conducting business.

IV. INJUNCTIVE RELIEF

4. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are permanently enjoined from distributing any solicitation in the State of Tennessee unless the solicitation clearly and conspicuously discloses:

- (a) That a purchase of the vacation package is required, if the consumer is required to make a purchase to receive the subject matter of the solicitation. To the extent permitted by state law, such disclosure shall be made on the same page as the first material statement of the offer in any solicitation and shall be made by providing in bold print: (a) the total price per person of the vacation package, or (b) one of the following statements appearing verbatim without modification: **“This Is an Offer To Sell Travel;” “Call Toll Free To Purchase;” or “Purchase Required;”**
- (b) That additional terms and conditions apply. Such disclosure shall be made on the same page as the first material statement of the offer in any solicitation. To the extent permitted by state law, a Terms and Conditions Box may be used to satisfy the requirements of disclosure of additional terms and conditions other than those required by paragraph 4(a) herein. The Terms and Conditions box shall be clearly and conspicuously located within the solicitation but shall not be required to be on the first page of the solicitation to the extent permitted by state law.
- (c) Whether the vacation package includes: (i) transportation, including airfare; (ii) meals, [or some category of meals]; and/or (iii) accommodations, [or some category of accommodations], as applicable;
- (d) That a consumer, when traveling on defendants’ vacation, will be solicited to tour and/or purchase a time share or vacation ownership interest if
 - (i) such tour is required;
 - (ii) the consumer must participate in the tour to take advantage of the offer; or
 - (iii) the tour is offered to the consumer in such a manner that it may tend to lead the consumer to conclude that failure to attend the tour would adversely affect the consumer receiving the vacation package as presented, and/or result in a reduction of the level of goods or services which would otherwise be available to such consumer as part of the purchase.
- (e) All additional material terms and conditions which apply to the purchase, receipt, or use of goods or services that are the subject of the offer, including, but not limited to, travel restrictions and additional fees, costs or charges which the consumer must pay to the defendants and any other types of charges (but not necessarily the amounts) which the consumer must pay to any third parties, such as charges for taxes, gratuities, and the like;
- (f) Before requesting payment for goods or services, the oral and written disclosures required by law as set forth in the Telemarketing and Consumer Fraud and Abuse Prevention Act at 15 U.S.C. § 6106 *et seq*; and
- (g) If a “bonus” (or words conveying a similar meaning) vacation is referenced in any mail piece, unsolicited call to a consumer, or in telephone calls placed by the consumer in response to defendants’ solicitation, then the defendants shall disclose the terms and conditions for any and all bonus vacations, including whether the bonus vacation will be given if a purchase is not made and, if any further costs or restrictions will be required

prior to using the bonus trip, such costs and restrictions. If the bonus vacation is only referenced in the calls and not in the mail piece, then the mail piece is not required to disclose the material terms of the bonus vacation.

5. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are permanently enjoined from:

- (a) Failing to comply with Tennessee law which governs the offering or sale of a time share, including registration requirements, as set forth in the Tennessee Time-Share Act of 1981, Tenn. Code Ann. §§ 66-32-101 through 66-32-137;
- (b) Failing to comply with all applicable Tennessee requirements and prohibitions relating to representations of “special selection,” representations of winning a prize, and eligibility to win a prize as set forth in Tenn. Code Ann. §§ 47-18-120 and 124;
- (c) Failing to comply with all Tennessee statutes and regulations which govern the right of a consumer to cancel a transaction of the type offered or entered into by defendants, specifically for Tenn. Code Ann. § 47-18-120 and § 47-18-123;
- (d) Failing to comply with all Tennessee statutes and regulations which regulate or involve telemarketing, as set forth in Tenn. Code Ann. §§ 47-18-1501 through 47-18-1527, and Tenn. Code Ann. §§ 65-4-401 through 65-4-408;
- (e) Failing to comply with all Tennessee statutes regulating prize, gift and award promotions as set forth in Tenn. Code Ann. §§ 47-18-120 and 124; and
- (f) Failing to comply with all statutes and regulations of Tennessee which regulate solicitations by unsolicited facsimiles, specifically being Tenn. Code Ann. §§ 47-18-1601 through 47-18-1604.

6. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are permanently enjoined, in any telemarketing solicitation offering a vacation package, from:

- (a) Failing to promptly state in a clear and conspicuous manner that a purchase is required;
- (b) Failing to promptly state: (i) the identity of the seller; and (ii) that the purpose of the call is to sell the consumer a vacation package or other goods and services; and
- (c) Failing to state the total cost of the trip, including any and all costs or fees paid directly to the seller, at any time during the call when any cost associated with the trip is disclosed to the consumer.

For the purpose of this provision, “promptly” shall mean that the disclosure shall be made prior to the time any substantive information about the vacation package or other goods or service is conveyed to the consumer. Unless otherwise provided by law, defendants do not have to inform consumers “promptly” that the purpose of the call is to sell the consumer a vacation package or other goods or services when consumers call defendants in response to a mailed solicitation (inbound calls) that complies fully with the disclosure requirements described in this Judgment.

7. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants, in connection with any solicitation, are permanently enjoined from:
- (a) Representing, directly or by implication, that a particular destination or particular services are included in the vacation package or bonus package when such is not the case;
 - (b) Representing, directly or by implication, the nature of any part of the vacation package through the use of “world class,” “first class,” or similar representations unless defendants can substantiate these representations through comparable ratings or evaluations by an independent, internationally or nationally recognized publication on travel or tourism;
 - (c) Representing to any consumer, directly or by implication, that the consumer is a “winner” or that the consumer has been “selected” or is otherwise being included in a select group for receipt of a prize or opportunity unless that is, in fact, true, or that the consumer is entering a “contest,” “sweepstakes,” “drawing,” or other competitive enterprise from which a winner or select group of winners will receive a prize or opportunity when, in fact, the enterprise is a promotional scheme designed to make contact with prospective customers, and all or a substantial number of those “entering” receive the same “prize;”
 - (d) Representing limitations on the offer or creating a false sense of urgency, directly or by implication, including, but not limited to, misrepresenting limitations on:
 - (i) the time within which the consumer must take action (including contacting defendants);
 - (ii) the number of offers of vacation packages;
 - (iii) who is entitled to take advantage of the vacation package offer; or
 - (iv) the number of contacts that a person or household may make to take advantage of the offer;
 - (e) Representing, directly or by implication, that a vacation package has been reserved for a consumer, by using the term “Reservation Number” or similar term, unless such number is unique to the consumer;
 - (f) Using “Control Numbers,” or any similar identifier in any communications relating to a vacation package unless such identifier is in fact employed by defendants for a specific business purpose;
 - (g) Misrepresenting, directly or by implication, the purpose of its contact or its offer through the following:
 - (i) that the purpose of the contact or offer is to “promote tourism,” or similar wording;
 - (ii) that the purpose of the contact or offer is to “regulate” or “administer” the “disbursement” of vacation packages, or similar wording;

- (iii) that the purpose of the contact or offer is to engender “word of mouth” advertising, or any similar wording, unless defendants have a realistic likelihood, based on past experience, of generating substantial business from consumer-to-consumer communications; or
- (iv) that the purpose of the contact or offer is to lead the consumer to buy another vacation package in the future, unless defendants have a realistic likelihood, based on past experience, of generating substantial repeat business from consumers;
- (h) Representing to any consumer, directly or by implication, that a certain number or percentage of its customers have been satisfied with their vacation packages, or similar wording, unless there is reasonable numerical substantiation for that statement based on documentation from those consumers who have purchased and actually have used the vacation packages from defendants; and
- (i) Representing, directly or by implication, through the use of any envelope, other mailing device, or other communication, that defendants, or the contents of any of its communications, are in any way connected to the government or a government agency, including, but not limited to:
 - (i) citing the possibility of criminal penalties on the front of an envelope; or
 - (ii) using the names of departments that are non-existent or that do not represent actual entities such as “The Office of Records of Entitlement Disbursements Division” and “The Offices of Records Entitlement/Disbursements Division;”
- (j) Referring to documents as delivered by registered mail, express mail, overnight delivery, special delivery, or any other form of mail or delivery other than by the rate that actually applies such as bulk rate or first class mail;
- (k) Misrepresenting the duration of a time share sales presentation tour; and
- (l) Disparaging the goods and/or services that are the subject of the offer in order to sell goods and/or services at an additional cost including, but not limited to, hotel or cruise accommodation upgrades.

8. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are permanently enjoined from misrepresenting, directly or by implication, the price of the vacation package by “unbundling” any part of the cost of the vacation package as a port fee, port charge, port tax, or any other tax unless the entire port fee, port charge, port tax, or other tax is imposed by and passed on to a governmental or quasi-governmental authority. Defendants shall include in the stated or advertised price of its vacation packages all mandatory (non-optional) charges, other than those imposed by and passed on to a governmental or quasi-governmental agency. Where a charge is passed on to a governmental or quasi-governmental agency as a port fee, port charge, port tax, or other tax, defendants shall disclose

the amount of the fee at the time the cost of the vacation package is first disclosed. For the purpose of this Judgment, the term quasi-governmental shall refer to an entity that is either:

- (a) a subordinate agency within a foreign, domestic, federal, state, or legal governmental authority; or
- (b) an entity created or authorized by a foreign or domestic governmental authority to carry out a governmental function for the benefit of the public. This shall include port authorities within the United States or within a foreign jurisdiction.

9. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are permanently enjoined from informing consumers they are confirmed for a specific date for their trips unless defendants do not in any way attempt to alter the confirmed date unless specifically requested to do so by the consumer.

10. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, pursuant to 16 CFR 310.3(a)(1)(iii), if defendants have a policy of not making refunds, cancellations, exchanges, or repurchases, they shall make a statement informing the customer that this is the defendants' policy. If the defendants make a representation about a refund, cancellation, exchange, or repurchase policy, they shall make a statement of all material terms and conditions of such policy.

11. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants are enjoined from:

- (a) Representing to consumers that defendants' vacation packages are being sold at prices which are below the cost consumers would pay if they did not acquire the accommodations through the purchase of defendants' vacation packages unless such representation is true and can be substantiated to the Attorney General's office upon request;
- (b) Representing to consumers that defendants are offering a discount off the regular or retail price of the goods or services unless such representation is true and can be substantiated to the Attorney General's office upon request.
- (c) Misrepresenting the number of days included in the vacation package.

V. RESTITUTION

12. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall refund the total price paid by Tennessee consumers for purchase of the vacation package to Tennessee consumers:

- (a) who purchased a vacation package from Cape Canaveral Cruise Line Tour and Travel, Inc. after January 1, 1997, through the date of entry of this Judgment;

- (b) who have not traveled on that vacation package; and
- (c) who request a refund in the manner set out in paragraph 13.

Any Tennessee consumers who have already received a full or partial refund shall only be reimbursed for the unrefunded amount that they paid for the package. Any Tennessee consumers who have not paid the entire cost of the vacation package shall only be reimbursed for the amount that they have paid for the package.

13. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall refund any money paid by Tennessee consumers who purchased a vacation package from Cape Canaveral Cruise Line Tour and Travel, Inc., after January 1, 1997 and through the date of the entry of this Judgment, who have not traveled on the vacation package, and who have complained in writing to the defendant, or to the State of Tennessee Attorney General's office, the Tennessee Division of Consumer Affairs or to any state or local governmental consumer protection agency or bureau located in the State of Tennessee, or to any Better Business Bureau in such state on or before the sixtieth day following the date of the entry of this Judgment.

14. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall issue all refunds to consumers eligible for refunds as set out in paragraphs 12 and 13 within 30 days of the close of the 60-day claims period or notify consumers that they are entitled to choose one of the following options from defendant:

- (a) A refund of previously unrefunded monies paid for a vacation package; or
- (b) An eighteen-month extension of the vacation package and a waiver of any and all additional service charges, with such extension beginning to run at the date it is issued or at the expiration of the date of the vacation package, whichever is later.

15. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that in any notice to eligible consumers of these options, which shall be in the form attached hereto as Exhibit A, defendant Cape Canaveral Cruise Line Tour & Travel, Inc. shall state that the choice of remedy belongs to the consumer and that in order to obtain an extension in lieu of a refund, the consumer must notify defendant within thirty (30) days from the date of his or her notice.

16. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall make a full refund pursuant to paragraphs 12 and 13, less any amount already refunded or credited, to each consumer who declines defendant's offer to extend the vacation certificate within thirty (30) days of defendant's receipt of consumer's response, or if no response, upon expiration of thirty-five (35) days of the mailing of the notice as provided in paragraphs 14 and 15. In the event defendant Cape Canaveral Cruise Line Tour and Travel, Inc. is unable to locate consumers who returned the notice and are entitled to a refunds, those funds due such consumers shall be treated as unclaimed property in the possession of the State of Tennessee pursuant to the Uniform Disposition of Unclaimed Property Act, Tenn. Code Ann. § 66-29-101, *et seq.* These funds may be delivered to the Treasurer prior to the statutory due date. The Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall provide a report to the Attorney General and Reporter within six (6) months of the entry of the Order which details the amounts delivered to the Treasurer for treatment as unclaimed property under the State statute. The Defendant shall continue to provide this information every six (6) months until all funds have been claimed. The Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall provide all information necessary to the State Treasurer's office to appropriately handle such funds as unclaimed property as set forth by statute and regulation. Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. is responsible for all costs associated with the refund process set forth herein, including, but not limited to, all costs associated with mailing, all letterhead, envelopes, copying charges, postage and other costs associated with the issuance of refund checks.

17. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall adopt and maintain procedures with regard to the handling of claims and/or requests for refunds from eligible consumers, including maintaining copies of all written complaints or requests for refunds received, and records of all oral complaints or requests for refunds. Such records shall include the name and address of each Tennessee consumer from whom a complaint or request for refund was received, the nature of the complaint, the amount of refund requested, the resolution of each complaint, and the amount refunded, if any. The State shall have

access to review these records upon reasonable notice to defendant for a period of twelve (12) months following the date of the entry of this Judgment.

18. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that within one-hundred and eighty (180) days after the entry of this Judgment or within sixty (60) days of the completion of restitution to all eligible consumers who elect to receive restitution pursuant to paragraphs 12 through 14, whichever is earlier, Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall submit an affidavit to the Tennessee Attorney General's office identifying by name and address each Tennessee consumer to whom restitution has been provided and the amount of the refund.

VI. CIVIL PENALTIES AND COSTS

19. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that prior to entry of this Judgment, the Tennessee Attorney General's office shall recover from Defendant Cape Canaveral Cruise Line Tour and Travel, Inc. the sum of Ten Thousand and No/100 Dollars \$10,000.00. The \$10,000 paid by the defendant Cape Canaveral Cruise Line Tour and Travel, Inc. shall be made payable to the State of Tennessee - Attorney General, and shall be used for the purposes set forth as follows:

- (a) Five Thousand and No/100 Dollars (\$5,000.00) shall be paid to the Tennessee Attorney General's Office for attorney's fees and costs of the investigation, prosecution and monitoring for compliance in this matter, which may be used at the sole discretion of the Attorney General for consumer protection purposes, and
- (b) Five Thousand and No/100 Dollars (\$5,000.00) shall be transferred to the General Fund of the State of Tennessee.

VII. ENFORCEMENT

20. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, for a period of three (3) years from the date of the entry of this Judgment, defendants shall provide a copy of this Judgment to all of their officers, employees and agents (including "independent contractors") who have responsibility for developing, authorizing, or using promotional materials, scripts, or marketing programs for vacation packages. Defendants may redact the amount of any monetary payment prior to distribution of a copy of the Judgment. Defendants shall also inform all successors and assigns, and all

persons or entities in concert or participation with the defendant corporations, of the terms and conditions of this Judgment and shall direct those persons and/or entities to comply with this Judgment.

21. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that for a period of three (3) years after the date of this Judgment, and except as the same may be filed otherwise with the State of Tennessee or any agency thereof pursuant to applicable Tennessee law, upon request by any Tennessee state agency, defendants shall, within thirty (30) days of the request, provide the State a copy of all promotional materials and scripts used in the solicitation or sale of vacation packages to residents of Tennessee since the date of entry of this Judgment.

22. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that at any time upon proper notice, any party to this Judgment may apply to this Court, which shall retain jurisdiction, for such further orders as may be necessary or appropriate for the construction or modification of any of the provisions of this Judgment, or the enforcement or compliance with this Judgment, and for the punishment of violations of this Judgment. If any state or federal law governing the transactions subject to this Judgment is amended, enacted or interpreted so as to impose conflicting or less stringent requirements than those contained in the injunction portion of this Judgment, defendants may petition the Court to revise the terms of the injunction. Defendants shall provide notice to the plaintiff prior to initiating such a proceeding, and the parties shall attempt in good faith to develop an agreement for revision of the injunctive relief herein.

23. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants shall not participate, directly or indirectly, in any activity to form a separate entity or corporation for the purpose of engaging in acts prohibited in this Judgment.

24. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment does not constitute an approval by the State of any of defendants' advertising, programs, or practices, and defendants shall make no representation to the contrary.

25. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment shall supersede any and all agreements that defendants may have, prior to the entry date of this Judgment, with the Attorney General of Tennessee in connection with the advertising, promoting, and marketing of their vacation packages, and any prior agreements shall be deemed terminated. This Judgment finally

resolves all the civil consumer protection claims, pursuant to the Tennessee Consumer Protection Act of 1977, Tenn. Code Ann. § 47-18-101, *et seq.* and the Tennessee Time-Share Act of 1981, Tenn. Code Ann. §§ 66-32-101 through 66-32-137 that the State may have against defendants in connection with the advertising, promoting, marketing and sale of timeshares or vacation packages arising from facts or circumstances existing prior to the date of entry of this Judgment.

26. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to Tenn. Code Ann. § 47-18-108(a)(3), venue as to all matters between the parties relating hereto or arising out of this Judgment is solely in the Chancery Court of Davidson County, Tennessee. The State shall make reasonable efforts to notify defendants in writing, prior to instituting any action to enforce this Judgment, that the State believes defendants to be in default of any provision of this Judgment. Notwithstanding the foregoing, such notice shall not be deemed to be a jurisdictional prerequisite for the State to institute an enforcement action. The notice to defendants shall set forth the basis for the State's belief that defendants have violated any provision of this Judgment.

27. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment does not limit the remedies available to the State in connection with any future violation of Tennessee laws or regulations by defendants which are not specifically addressed herein.

28. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment shall not affect the rights of any private party to pursue any other available remedy or remedies.

29. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that nothing in this Judgment shall be construed to prohibit defendants from engaging in business in the State of Tennessee in accordance with the terms of this Judgment and all applicable laws of the State.

30. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that, pursuant to Tenn. Code Ann. § 47-18-107(c), any subsequent failure to comply with the terms hereof is *prima facie* evidence of a violation of the Tennessee Consumer Protection Act.

31. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that pursuant to Tenn. Code Ann. § 47-18-108(c), any knowing violation of the terms of this Judgment shall be punishable by civil penalties of not more than Two Thousand Dollars (\$2,000.00) for each violation, in addition to any other appropriate relief.

32. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that this Judgment may only be enforced by the parties hereto.

33. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that nothing in this Judgment constitutes an agreement by the State of Tennessee concerning the characterization of the amounts paid hereunder for purposes of any proceeding under the Internal Revenue Code or any state tax laws.

34. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that nothing in this Judgment shall be construed as relieving defendants of the obligation to comply with all state or federal laws, regulations or rules.

35. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that defendants hereby waive any and all rights which they may have to be heard in connection with judicial proceedings for the court approval of the Judgment. Defendants agree to pay all costs of filing such Complaint and Judgment. The Defendants agree that they consent to the entry of this Order without further notice

36. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that any notices required to be sent to the State or the defendants by this Order shall be sent by United States mail, certified mail return receipt requested or other nationally recognized courier service that provides for tracking services and identification of the person signing for the document. The documents shall be sent to the following addresses:

For the State:

Deputy Attorney General
Office of the Attorney General
Consumer Protection Division
425 Fifth Avenue North, 2nd Floor
Nashville, Tennessee 37243
(615) 741-1671

For the Defendants:

Steve Kosmas, President
Cape Canaveral Cruise Line Tour
and Travel, Inc.
7099 North Atlantic Avenue
Cape Canaveral, Florida 32920

With a copy to:

James J. Scavo, Esq.
Weinstock & Scavo, P.C.
3405 Piedmont Road, N.E.
Suite 300
Atlanta, Georgia 30305

37. IT IS FURTHER ORDERED, ADJUDGED AND DECREED that all costs associated with the distribution of this Judgment and the Complaint, pursuant to paragraph 20 herein, and any other incidental costs or expenses incurred thereby shall be borne by defendants. No costs shall be taxed against the State as provided by Tenn. Code Ann. § 47-18-116.

IT IS SO ORDERED.

CHANCELLOR

FOR THE STATE OF TENNESSEE:

PAUL G. SUMMERS

Attorney General & Reporter

B.P.R. No. 6285

JENNIFER L. RAWLS

Assistant Attorney General

B.P.R. No. 13929

Tennessee Attorney General's Office

Consumer Protection Division

425 - 5th Avenue North, 2nd Floor

Nashville, Tennessee 37243-0491

(615) 741-2614

Approved by:

DAVID A. MCCOLLUM

DIRECTOR

Division of Consumer Affairs

of The Department of

Commerce and Insurance

500 James Robertson Parkway

5th Floor, Davy Crockett Tower

Nashville, TN 37243-0600

(615) 741-4737

FOR DEFENDANTS:

JAMES J. SCAVO

Attorney for the Defendants

Weinstock & Scavo, P.C.

Suite 300

3405 Piedmont Road, N.E.

Atlanta, GA 30305

Telephone: (404) 231-3999

Facsimile: (404) 231-1618

Signature

Print Name:

Title:

Cape Canaveral Cruise Line Tour and Travel, Inc.

Federal Taxpayer ID #:

Current address:

Telephone number:

Signature

Print name:

Title:

Promotional Travel, Inc.

Federal Taxpayer ID #

Current address:

Telephone number: